



Post-Summit Submissions

Europe: Ireland

WHAT ARE SOME CHANGES YOU HAVE NOTICED IN YOUR CUSTOMERS THIS PAST YEAR? ARE YOU SEEING ANY NEW REQUESTS FROM CONSUMERS?

I wear two hats, a product supplier and seaweed bath operator. Ireland has seen a seismic shift in its economic situation in the last three years. The term “Celtic Tiger” is nearly painful. The economy has suffered and spending has dropped. The customer is increasingly focused in “value.” Companies which are creative in their offering as well as in their approach to their customers have fared better than those maintaining status quo. As many of our clients are now in receiverships, the commercial decisions being made are not necessarily driven by operators and some might argue that this is having an overall detrimental effect on the industry.

We are seeing an increase in the demand for authentic treatments, based on a tangible history of wellbeing. The frivolous and opulent treatments are now being frowned upon. Innovative water based treatments or innovative uses of hydro/thermal facilities have become more important than in the past, as hotels are no longer willing to see spas as part of the attraction and are pushing hotels stand alone, rather than detracting from the properties fortunes. Too often they have been allowed to be a loss center, whereas now it can't be allowed; many operators are trying to re-invent and reinvigorate this element of their business.

WHAT SECTORS DO YOU SEE ATTRACTING THE MOST INVESTMENT CAPITAL THESE DAYS? WHAT ABOUT WHEN IT COMES TO THE SPA AND WELLNESS ARENA?

Little investment has been going on over the last year, although we have started to see rumblings of speculative investments. There are a great number of distressed assets nationally and I am sure opportunistic parties will begin to acquire these assets. Most are only spending to create a better utilization and efficiencies internally.

As mentioned above there has been a push on utilizing neglected hydro facilities, most operators have focused on offering more “all inclusive packages” as opposed to cutting their rates, operators fear that this will eventually lead to a downward spiral.

There is also an increasing perception in the value of environmental activities or specific approaches to business. As a justification to maintain price position, environmental or organic credentials are defensible, this remains a buying distinction. We have noticed that clients have been attracted to our ability to provide unique experiences in this sector, whilst offering a luxury service while never compromising our environmental credentials.



WHAT IS THE FUTURE LOOKING LIKE FOR SPA AND WELLNESS IN YOUR COUNTRY?

Ultimately some of the issues associated with Ireland are political and its economic problems are part of a larger political game, being played out in the EU. The immediate problems will be addressed in due course and we hope to see a recovery. The industry has been shocked, but also has proved to be resilient in many aspects.

We are seeing operators catering to a wider scope of clientele, never limiting their operations; trying to capture new clients by distinguishing their services from other sectors. Many spa operators are looking to provide a more inclusive experience by bringing in other activities as part of an overall package, such as linking exercise and dietary into spa treatments. While innovative treatments will continue to succeed; many operators are looking to create unique experiences in the facilities to distinguish their service offerings to their customer base.

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